

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation in Statements by
SBC Communications and SBC Pacific Bell
Regarding Potential Reductions to Service
Quality.

Investigation 02-11-008
(Filed November 7, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING
REGARDING NOTICE OF INTENT TO CLAIM COMPENSATION**

This ruling responds to a notice of intent (NOI) filed by Latino Issues Forum (LIF) on March 17, 2003. This ruling addresses the requirements of the Pub. Util. Code, Article 5, § 1804. All statutory references are to the Pub. Util. Code. In consultation with the Assigned Commissioner, I find that LIF is eligible to request compensation in this proceeding.

Under § 1804(a)(1), “[a] customer who intends to seek an award under this article shall, within 30 days after the prehearing conference is held, file and serve on all parties to the proceeding a notice of intent to claim compensation.” The first prehearing conference (PHC) in this proceeding was held on February 18, 2003. LIF’s NOI was filed on March 17, 2003 and thus is timely filed.

Section 1804(a)(2) sets forth those items that must be addressed in an NOI. Pursuant to Decision (D.) 98-04-059, this ruling must determine whether the intervenor is a customer, as defined in § 1802(b) and identify whether the intervenor is a participant representing consumers, or a representative authorized by a customer, or a representative of a group or organization that is authorized by its bylaws or articles of incorporation to represent the interests of

residential ratepayers. Once the applicable definition of customer is identified, the correct standard of “significant financial hardship” can be applied. LIF meets the requirements of the latter definition of customer. Only those customers for whom participation or intervention would impose a significant financial hardship¹ may receive intervenor compensation. Section 1804(a)(2)(B) allows the customer to include a showing of significant financial hardship in the NOI. Alternatively, the required showing may be made in the request for award of compensation. LIF has chosen to defer its showing of significant financial hardship until it files its request for compensation.

LIF meets the latter definition of customer as defined in § 1802(b), thus the comparison standard applies. LIF represents the interests of low-income Latinos and other language-minority customers of SBC. Approximately 85% of its members are individual customers, the balance are small business owners. While the Commission’s Office of Ratepayer Advocates (ORA) represents and must balance the interests of all ratepayers, LIF represents the specific interests described above, ratepayers who may not otherwise be adequately represented in this proceeding. Participation in Commission proceedings by parties representing the full range of affected interests is important. Such participation

¹ Section 1802(g) defines “significant financial hardship:”

“Significant financial hardship” means either that the customer cannot without undue hardship afford to pay the costs of effective participation, including advocate’s fees, expert witness fees, and other reasonable costs of participation, or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.

assists the Commission in ensuring that the record is fully developed and that each customer group receives adequate representation.

A rebuttable presumption of eligibility exists for LIF. A finding of significant financial hardship was determined in D 02-07-030. The Commission instituted this proceeding in November 2002, within one year of this finding. Therefore, the rebuttable presumption created in D.02-07-030 is applicable. In addition, the cost of LIF's participation in Commission proceedings substantially outweighs the benefit to an individual customer it represents. LIF's members are customers whose individual interests in this proceeding are small relative to the costs of participation. A finding of significant financial hardship in no way ensures compensation (§ 1804(b)(2)).

Section 1804(a)(2)(A)(i) requires NOIs to include a statement of the nature and extent of the customer's planned participation in the proceeding to the extent this can be predicted. LIF states that its central issue is to ensure that the layoffs announced by SBC Communications and SBC Pacific Bell do not have a deleterious effect on customer service to its membership base and those it represents.

Section 1804(a)(2)(A)(ii) requires that NOIs include an itemized estimate of the compensation the customer expects to receive. LIF estimates a total projected budget of \$50,350 for their participation based on proposed hourly rates that will be addressed in its Request for Compensation. The presentation of their estimate below should in no way whatsoever be construed as ruling on its reasonableness of scope, hourly compensation rates, or recoverability of the various costs.

Greenlining/LIF Itemized Estimate

Professional fees

Susan E. Brown (60 hours @ \$325/hour) \$ 19,500

Enrique Gallardo (70 hours @ \$255/hour) \$ 17,850

Expert Fees

John C. Gamboa (20 hours @ \$300/hour) \$ 6,000

Luis Arteaga (20 Hours @ \$250/hr) \$ 5,000

Postage, photocopies, deliveries, supplies, phone \$ 2,000

Total \$ 50,350

Therefore, **IT IS RULED** that:

1. Latino Issues Forum, (LIF) has met the eligibility requirements of Pub. Util. Code § 1804(a), including the requirement that it establish significant financial hardship, and LIF is found eligible for compensation in this proceeding.

2. LIF is a customer as that term is defined in § 1802(b) and is an or organization that authorized by its bylaws or articles of incorporation to represent the interests of represent Latino, low-income and language-minority communities.

3. A finding of eligibility in no way assures compensation.

4. LIF shall make every effort to reduce and avoid duplication of contribution.

Dated March 28, 2003, at San Francisco, California.

/s/ KARL J. BEMESDERFER

Karl J. Bemesderfer
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Notice of Intent to Claim Compensation on all parties of record in this proceeding or their attorneys of record.

Dated March 28, 2003, at San Francisco, California.

/s/ TERESITA C. GALLARDO

Teresita C. Gallardo

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, *e.g.*, sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.